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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/751,721	12/29/2000	John Brixius	17209-005	8324
54205	7590	06/02/2006	EXAMINER	
CHADBOURNE & PARKE LLP 30 ROCKEFELER PLAZA NEW YORK, NY 10112			PATEL, JAGDISH	
			ART UNIT	PAPER NUMBER
			3624	

DATE MAILED: 06/02/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/751,721

Applicant(s)

BRIXIUS, JOHN

Examiner

JAGDISH PATEL

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 06 April 2005.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-7 and 9-23 is/are pending in the application.
- 4a) Of the above claim(s) 12-23 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-7 and 9-11 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

### **DETAILED ACTION**

1. This communication is in response to amendment filed 4/6/05.

#### ***Election/Restrictions***

2. Applicant's election without traverse of Species A, claims 1-7 and 9-11 in the reply filed on 3/6/2006 is acknowledged. Accordingly, claims 12-23 have been withdrawn from further consideration.

#### ***Claim Rejections - 35 USC § 112***

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 10 and 11 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 10 recites the step "transmitting an instruction to transfer agent to convert the at least one physical restricted security into an electronic format" does not relate to any limitation of claim 1 because the process of claim does not depend upon the nature or type of the trade. (see analysis of nonfunctional limitation below.)

Claim 11 also contains similar defect as claim 10.

#### ***Claim Rejections - 35 USC § 103***

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are

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such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 1-7 and 9-11 are rejected under 35 U.S.C. 103(a) as being unpatentable over Millard et al (US PGPub 2002/0007335) (hereafter Millard).

Claim 1: Millard teaches a computer implemented method for processing restricted securities trades via a communication network (see 0067, 0074 and abstract] the method comprising:

receiving data relating to restrictions associated with the trades of a security (see [0129] ..apply directly to the system operators .. [0218] ..data pertaining to securities offer);

receiving electronic verification that the data is correct (..[0218] details the offer ..validated for form and content);

automatically generating documentation supportive of the trade wherein the generated documents include at least a legal opinion (..[0279] ..refer to electronic document digital signature and authentication; ..[283] ..counterpart escrow agreement etc.);

receiving an electronic signature .. ([0279] ..refer to electronic document digital signature and authentication; ..[ 0283] – [0284] affixing signatures to their documents..

Millard fails to teach that the generated documents include at least a legal opinion.. as per claim 1. However, this limitation does not impart any functionality to the process of claim 1, (see explanation below). Therefore this limitation is treated as nonfunctional descriptive material and is analyzed as such.

Nonfunctional descriptive material cannot render nonobvious an invention that would have otherwise been obvious. Cf. In re Gulack, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983) (when descriptive material is not functionally related to the substrate, the descriptive material will not distinguish the invention from the prior art in terms of patentability).

In the instant case, the content of the “generated documents”, is treated as nonfunctional descriptive material because the entire process of the processing restricted securities is unrelated to the content. More specifically, none of the process steps of receiving data, receiving electronic verification and receiving an electronic signature are performed independent of the nature of the generated document or the content thereof.

In light of the aforementioned nonfunctional descriptive material and further in view of Millard it would have been obvious to one of ordinary skill in the art at the time of the invention

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to have the generated document include any nonfunctional information such as the claimed nonfunctional limitation.

Claim 2: trade comprises a simple restricted sale (refer to [0272]);

Claim 3: additionally comprising the step of transmitting an instruction to execute the trade (refer to [0278]);

Claim 4: additionally comprising forwarding trade information (refer to [0278]);

Claim 5: data relating to the restrictions comprises a checklist of questions related to the restrictions (Fig. 2 steps 215-230 and Fig. 3, step 350 for example, membership information).

Claims 6 and 7: refer to claim 1 analysis in view of [0069].

Claim 9: the step of receiving edits to the generated document (refer to [0150] data validation).

Claims 10 and 11: Millard teaches the step of transmitting an instructions to transfer agent .. [0292]. Note that the limitation “the trade of a security is based on at least one physical restricted security” is treated as nonfunctional descriptive material because it does not effect any of the process steps of claim 1.

### ***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

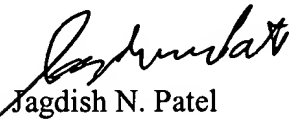
Any inquiry concerning this communication or earlier communications from the examiner should be directed to JAGDISH PATEL whose telephone number is (571) 272-6748.

The examiner can normally be reached on 800AM-600PM M-Th.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on (571) 272-6747. The fax phone number for the organization where this application or proceeding is assigned is 517-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Jagdish N. Patel

(Primary Examiner, AU 3624)

5/30/06